

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554**

In the Matter of	)	
	)	
Glide Path Policy Paper filed by the	)	CC Docket No. 80-286
State Members of the Universal	)	
Service Federal-State Joint Board on	)	
Separations	)	
<hr style="width:40%; margin-left:0"/>	)	

**Reply Comments of the Alaska Telephone Association**

The Alaska Telephone Association (“ATA”) represents fourteen rural incumbent local exchange carriers. Within the service areas of these companies reside customers who inhabit the most forbidding, sparsely populated and remote communities in the United States; the vast majority of which are accessible only by air or water. While distance, terrain, weather conditions, and economies of scale contribute to the high individual loop costs, these same circumstances enhance the need for, and value of, telecommunications services for the rural residents.

The “Glide Path” discussion paper submitted by the State Members of the Federal-State Joint Board on Separations (“State Members”) offered a broad array of options for transitioning to a post-frozen Part 36 regime. Any member of industry can likely find more than one option that is abhorrent, but as recognized in the comments of GVNW and John Staurulakis, Inc., the State Members intended that the paper stimulate debate. Certainly that aspect of the goal has been achieved.

Regulations propagated in response to the 1996 Telecommunications Act have, rather unsuccessfully, sought to address the changes wrought by the Act without detriment to the world’s foremost telecommunications network and its affordable access by a very high percentage of this country’s citizens. The dialogue initiated by the State Members in this docket may go far toward identifying in a public forum the deleterious ramifications to the national network of shifting high costs onto the disproportionately small number of rural subscribers.

As GVNW noted in its comments, “all options should be reviewed, including the maintenance of the status quo.” We concur. A replacement for a system that “works” should be carefully considered. As telecommunications providers in a state that is sparsely populated

(fewer than two persons per square mile), and costly to serve, we are concerned that local exchange network costs now paid by interstate telecommunications providers (interstate access charges) for the use of Alaskan facilities to route interstate traffic not be shifted onto state and local ratepayers. Alaska state toll rates are now more than twice the national average and local exchange services are heavily supported by federal and state universal service funds. Jurisdictional separations rules should not be changed in ways that would grant interstate telecommunications providers below cost, or free use, of Alaskan local exchange facilities by shifting interstate interexchange access charges onto state ratepayers. Doing so would only exacerbate the disparity between urban and rural rates and create unprecedented upward pressure for additional federal and state universal service funds. The ATA is strongly opposed to any jurisdictional separations changes that shift interstate costs onto Alaskan ratepayers.

The comments of John Staurulakis, Inc. call for maintaining the “existing separations factor freeze and evaluat[ing] the effects of recent industry reforms on the jurisdictional separations process.” ATA hopes the Commission heeds that counsel. The subsistence lifestyle and cash-poor society of many Alaskan communities, along with telecommunications customers in many rural states, can not bear the burden of a shift from urban to rural of the cost of the national telecommunications network. The Act’s promise of affordable rates must be maintained.

Respectfully submitted,

ALASKA TELEPHONE ASSOCIATION

March 8, 2002

By: \_\_\_\_\_

James Rowe  
Executive Director

Alaska Telephone Association  
201 E. 56<sup>th</sup>, Suite 114  
Anchorage, Alaska 99518

(907) 563-4000  
jrowe@alaskatel.org